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**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA**
Alexandria Division

In re:

BLUE RAIN LLC,

Debtor.

Case No. 15-10054-RGM
Chapter 11

**LOUDOUN COUNTY'S LIMITED RESPONSE TO
MOTION FOR RELIEF FROM STAY**

The County of Loudoun, Virginia (the "County"), by counsel, files this limited response to Debtor's Motion For Relief from Stay filed by First-Citizens Bank & Trust Company (the "Movant") (Document No. 7, the "Motion"). The Motion seeks relief with respect to a commercial condominium unit located in the County at 44081 Pipeline Plaza, Suite 320, Ashburn, Virginia 20147-5892, further identified as PIN 087-29-7279-016 (the "Property"). For its response to the Motion, the County states as follows:

1. Debtor's Property is subject to County *ad valorem* real estate taxes. Real estate tax liability attaches on January 1 of each year, and the taxes are payable in two equal installments on June 5 and December 5 each year. *See* Va. Code Ann. §§ 58.1-3281 and 58.1-3916; Loudoun County Codified Ordinances § 860.01.

2. Pursuant to Va. Code Ann. § 58.1-3340, the County's real estate taxes constitute a statutory secured lien on the Property, prior to all other liens and encumbrances.

3. As of the date of this response, Debtor owes delinquent real estate taxes for tax years 2013 (second half) and 2014 (first and second halves) for the Property at issue herein.

4. The total amount of delinquent taxes on the Property is **\$6,363.43**, which includes taxes, penalties and interest through February 30, 2015. Additional interest will accrue on the first of each month until the delinquent balance is paid in full. Loudoun County Codified Ordinances (“LCCO”) § 860.03.

5. Therefore, the County does not object to the sale of the Property, so long as the order approving the sale states that (i) all delinquent taxes (including penalties and interest authorized by LCCO §§ 860.01 and 860.02) are paid from the proceeds of sale at closing, before the payment of any other liens, costs or fees. Payment of County real estate taxes from the sale proceeds is mandated by Va. Code § 58.1-3340 and is expressly authorized by 11 U.S.C. § 506(c).

WHEREFORE, the County respectfully asks the Court that, if an order is granted in favor of the Movant, such relief also provides that the delinquent real estate taxes on the Property (including any penalties and accrued interest) shall be paid in full before or at closing and, in any event, before the Movant applies any sale proceeds towards payment of any other lien, costs or fees.

The County of Loudoun, Virginia
By counsel

JOHN R. ROBERTS,
COUNTY ATTORNEY

By /s/ Belkys Escobar
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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response was served on February 11, 2015 by ELECTRONIC MAIL through the Court's electronic filing system to the parties for whom electronic mail addresses are indicated below and by FIRST CLASS MAIL to the parties for whom postal mail addresses are indicated below, if any:

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